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The Search for Buddhist Economics

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by

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The Search for Buddhist Economics

“No one seems to think that a Buddhist way of life would call for a Buddhist economics ...”
(Schumacher, *Small is Beautiful*)

The story that the Buddha refused to preach to a hungry man until his hunger was appeased, the claim that Buddhism gives instructions to the layman to develop both his material and spiritual welfare, the fact that the economic factor is a significant determinant of social change—these are all part and parcel of the generally accepted belief system of the Buddhist today. But beyond this, is it possible to convert the economic activity of man (an apparently prosaic routine procedure, a necessary means of survival) into something sacred and a vital expression of man’s quest for meaning and significance? The claim that such a pervading vision, drawing its strength from our value orientations, could infuse meaning into such prosaic activities like making a brass tray, tilling the soil or handling a machine is a theme that reverberates throughout the work *Small is Beautiful*, by the

economist E. F. Schumacher. [1] So long as we are not drowned by gigantism (see his case for 'intermediate technology') and are not driven by an excessive greed to a violent rape of nature (see 'The Proper Use of Land'), both the world of industry and agriculture could be converted into a meaningful habitat for man.

More than all this, the chapter on 'Buddhist Economics' is something that offers stimulating reading to the one in search of just such application of Buddhism. An attempt will be made here to respond to Schumacher's quest for principles of Buddhist economics in the light of our own tradition.

It must be said that although the chapter under discussion is entitled 'Buddhist Economics,' Schumacher himself says that some of these ideas are also found in other religions, and that a whole spiritual dimension can pervade the economic activities of man. Here, I shall deal with three value orientations common to Buddhism and Schumacher's analysis and conclude with a discussion of Schumacher's search for a new 'life style.' [2]

Man-Nature Orientation

If nature becomes the object of man's greed, avarice

and acquisitive instincts, a non-violent and gentle attitude towards nature is not possible. The violent and aggressive approach towards the natural world is fed by man's greed for short-term and spectacular success, without paying heed to long-term consequences, either on himself or another generation. Problems of environmental pollution, depletion of natural resources, problems besetting non-renewable resources like fossil fuels, breakdown of village communities and the growth of haphazard urban communities—these phenomena are in a very deep sense due to the lack of a serious man-nature orientation.

According to both Schumacher and Buddhism, it is the human vices like greed and avarice that prevent man from developing a proper man-nature orientation. "If human vices like greed and envy are systematically cultivated, there is nothing less than a collapse of intelligence. A man driven by greed or envy loses the power of seeing things as they really are, of seeing things in their roundness and wholeness and his very success becomes a failure" (*Small is Beautiful*). A healthy drive for achievement can promote economic growth, but uncontrolled greed and avarice are as detrimental as laziness and apathy.

The Buddha does specifically refer to the "wealth acquired by energetic striving, amassed by the

strength of arm, won by sweat, and lawfully gotten.” But the excessive domination of the personality by greed of any kind is detrimental to the developing of a healthy society. Maximal production should not be the aim but rather the aim should be optimal human development. Economic development must be placed against the wider background of the need to develop a well-rounded personality and a happy human being.

Schumacher in offering his own analysis for this present violent rape of nature, says that a wider view sees agriculture as performing three tasks: 1) to keep man in touch with living nature, 2) to humanise man’s wider habitat, and 3) to bring forth the food-stuffs and other materials which are needed for a becoming life.

A significant issue that emerges from the man-nature orientation is man’s relation to the economic world. In terms of man’s project for survival and the acquiring of pre-requisites for a comfortable life, part of the natural world is converted into the economic world. Though a large part of the discourses of the Buddha are devoted to the spiritual development of monks and laymen, there are a number of contexts where the Buddha outlines his attitude to the problems like the accumulation of wealth and the improvement of the economic conditions of man (see the Maṅgala Sutta, and the Sigalovāda Sutta). It is said that the person whose basic necessities are satisfied

and who lives in a fitting environment is a fortunate man. The Buddha also says that the happiness of the average man depends on economic security, the enjoyment of wealth, freedom from debt and a blameless moral and spiritual life. In a number of contexts, the economic factor is linked to a wider relationship to the Dhamma. While economic inequality leads to tension, instability, and loss of value, economic security has to be based on the firm footing of righteousness.

After reading Schumacher we get the impression that what may be called 'Buddhist economics' need not be limited to such advice as cited above as given to the householders to organise their lives, but rather that it is possible to extract from the doctrine of the Buddha certain dynamic orientations that can pervade the economic activities of man and their systematic planning by the state. It is in this sense that Schumacher breaks new ground in the search for Buddhist economics.

Activity Orientation

It must be admitted that the need for survival and the urge to lead a comfortable life are the prime

motivating factors that make men find a way of earning a living. But this same job that helps them to find the money could be so elevated in their minds and others, that it could give them a satisfaction of its own. According to Schumacher there are at least three facets to the Buddhist attitude to work: to give a man a chance to utilise and develop his faculties, to enable him to overcome his ego-centeredness by joining with other people in a common task, and thirdly, to bring forth the goods and services for a becoming existence.

A nation's wealth is to a very great extent determined by the kind of work, the amount of work and the satisfaction that people derive from doing it. People enjoy doing a job of work when it is not a drudgery, and also when it has some significance for them. A person can identify himself with large national projects and overcome his ego-centeredness by joining with others for a common task. It is by such an infusion of meaningfulness that we could generate the much needed qualities of honesty, patience, endurance and creativity. It is true that we live in a world where the inability to get things done, unhealthy competition and self-alienation pervade our lives. But religious values could equally generate the much needed spirit of co-operation, selflessness, and the creation of an atmosphere where people will find work meaningful. The need to go beyond one's ego is

something connected with a healthy interpersonal-relationship orientation (see below).

Schumacher feels that the creative work done by human hands in the West has been replaced by machines. The destruction of work enjoyment can only be offset by developing a “technology with a human face.” “Virtually all real production has been turned into an inhuman chore which does not enrich man but empties him.” Not only should Asia develop a technology in keeping with her problems but it is very necessary to develop a ‘work ethic’ drawing inspiration from her rich religious and cultural tradition. While Buddhism encourages man to seek a method of ‘right living’ by the sweat of one’s brow, a Buddhist work ethic aims not at mere accumulation of wealth but at the psychological and moral satisfaction one gets by doing an honest job, and shedding one’s ego-centered desires by identifying oneself with the aspirations and visions of a whole nation.

Interpersonal-Relationship Orientation

According to the Buddha, the basic factor that separates man from man is the spell of egoism, and,

once this is broken down, healthy human relationships are possible. On the more positive side, the doctrine of compassion, the emphasis on love, charity and mutual respect can bring about healthy inter-personal relations.

Economic development can only flourish in a community rooted in a healthy concept of group living. In a multi-religious and a multi-racial situation like Sri Lanka, a healthy concept of interpersonal relations can break through the social barriers to economic progress.

Erich Fromm, making his own diagnosis of the 'Sick Society,' says that the essential teaching of all great religions can be summarised in one sentence: "it is the goal of man to overcome one's narcissism. [3] Perhaps this principle is nowhere expressed more radically than in Buddhism." It is true that in discussing the 'other-regarding' virtues, the Buddha was more concerned with the life of renunciation, but if we examine the basic human relations presented in the Sigālovāda Sutta, it will be clear that in relevant social situations, the Buddha advocates mature and reciprocal relationships which deny any symbiotic attachment, [4] abnormal domination or dependence. The Buddha offers a social ethics which combines a fine blend of self-reliance, self-development and altruism. Pride, vanity, conceit, and jealousy are

unwholesome states that block the free flow of genuine concern, respect, love and understanding among men. Conceit, whether superiority or inferiority conceits, creates artificial barriers between man and man.

For the development of cooperative effort in group living and nation building, narrow acquisitive pursuits and selfishness have to be eliminated. Thus the doctrine of 'egolessness' provides a basis for group living, which is a very necessary basis for common economic pursuits.

Having discussed the orientation towards nature, work and society in the light of a Buddhist approach to economic development, we shall conclude by a brief reference to the search for a 'life style' that Schumacher attempts.

A way or 'life-style' based on "permanent and limitless expansionism in a finite world cannot last long" says Schumacher. And he says that the important question is not our competence regarding means but our realism and wisdom regarding ends. Instead of making a futile attempt to use the limited resources to gain an ever increasing horizon of ends, why not have a second look at the ends one is pursuing. Here the Buddhist insistence on clear awareness of both the purposefulness and the

suitability of an action becomes significant (*sāttthaka-sampajañña*, *sappāya-sampajañña*). We can eliminate certain artificial needs that emerge out of an obsession to consume; certain needs can be reduced and others diverted to more productive ends. As Fromm says, “the aim of ever-increasing consumption creates, even before the optimal consumption rate is reached, an attitude of greed in which one wishes not only to have one’s legitimate needs fulfilled but dreams of a never-ending increase in desires and satisfactions.” This reference to the limitless rise of the production and consumption curve is something that catches the eye of Schumacher.

Though this is a point which is more relevant to the West than to most parts of Asia where there is a bitter struggle to obtain the basic necessities of life, the wisdom of having a second look at ends that man strives to attain is not only a Buddhist approach to the problem, but something that may be of significance to the people of Sri Lanka too. Mahātma Gandhi presented this idea well when he said that the “Earth provides enough to satisfy every man’s need, but not every man’s greed.”

Thus the creation of a life-style in keeping with the religious and cultural traditions of a people can help us to offset an unnecessary burden on the economic structure of a country. We should do away with

unhealthy life-styles fed by single-minded pursuit of wealth, an economy propelled by a frenzy of greed and false patterns of consumption.

Schumacher makes an interesting distinction between the 'forward stampede' and the 'homecomers.' This is what the forward stampede says: "You cannot stand still ... standing still means going down; you must go forward ... there is nothing wrong with technology except that it is incomplete. If there is trouble with the environment, we shall take more stringent laws against pollution, and faster economic growth to pay for antipollution measures. If there are problems about natural resources, we shall turn to synthetics ... and so on." The 'homecomers' attempt to get out of this vicious circle. They feel that what is important is not accelerating the set patterns of development, but re-directing them. The 'homecomer' examines afresh the purpose of economic activity and raises the question, "economic activity for whose sake?" He points out that economic activity has to be examined "as if people matter."

The term 'homecomer' has a religious connotation and implies that one should get back to the basic truths about man and the world. In this sense, he is one who would get back to the Sermon on the Mount, the Sigālovāda Sutta and similar religious texts founded in the rich spiritual traditions of Hinduism

and Islam. It is an attempt to re-discover their meaning in the light of our problems today. In this sense the work *Small is Beautiful* brings to us the spell of a perennial message in modern garb.

Notes

1. E F. Schumacher, *Small is Beautiful, A Study of Economics as if People Mattered*, Blond J. Briggs Ltd., London, 1973. [\[Back\]](#)
2. For a study of “Value Orientations” from the Buddhist standpoint, see Padmasiri de Silva, “The Search for a System of Core Values in the Buddhist Tradition,” ARCFOD papers, 1975. [\[Back\]](#)
3. In this context it may suffice to describe narcissism as an extreme self-love. [\[Back\]](#)
4. “Symbiosis, in this psychological sense, means the union of one individual self with another self (or any other power outside of the own self) in such a way as to make each lose the integrity of its own self and to make them completely dependent on each other.” (Erich Fromm, *Escape from Freedom*, p. 118) [\[Back\]](#)

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